



Director of Congressional Affairs

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# Office of Current Production and Analytic Support<sup>STAT</sup>

## CIA Operations Center

News Bulletin The New York Times, Page A16

Tuesday, 10 March 1987  
Item No. 2

### Reagan to Revoke Finding on Sale of Arms to Iran

By GERALD M. BOYD  
Special to The New York Times

WASHINGTON, March 9 — President Reagan is preparing to revoke the intelligence finding that authorizes the arms sales to Iran amid a White House review of all such findings that authorize continuing covert actions, officials said today.

Mr. Reagan is expected to revoke the Jan. 17, 1986 intelligence finding later this month. The move would show that he was continuing to try to eliminate the adverse effects of his Iran initiative and to acknowledge that the policy had been a mistake.

The finding justified the Iran policy initiative as an attempt to establish a more moderate government in Iran, to obtain intelligence on the current Teheran regime, to further the release of American hostages held in Lebanon and to prevent future terrorist acts. But the Presidential panel said in its report on the Iran-contra affair that the initiative had quickly become an arms-for-hostage exchange.

#### Policy No Longer in Effect

While officials said that some actions taken by the President in recent weeks have superseded the Jan. 17, 1986 finding, the formal revocation would indicate that the Iran policy initiative was no longer in effect. The action would also eliminate the policy rationale for the Iran initiative, which was criticized recently by the Tower Commission report, named after the panel's chairman, former Senator John Tower, Republican of Texas.

#### The step is seen as an effort to admit a mistake.

"It's dying a rapid death," a senior White House official said of the finding.

The officials said that Mr. Reagan had been moving to revoke the order since he instructed the National Security Council staff to refrain from covert actions following Attorney General Edwin Meese 3d's disclosure that profits from the arms sales had been diverted to Nicaraguan insurgents.

They said that the review of all intelligence findings was begun shortly after Frank C. Carlucci became national security adviser late last year. The examination of the Iran arms sales finding was near completion, the officials said, and Mr. Carlucci would recommend the finding be revoked.

The White House announced the review following questions early today on the status on the Jan. 17 finding. In a statement later, it said: "All intelligence findings are currently undergoing review through an orderly process. The Jan. 17, 1986, intelligence finding will be reviewed shortly as part of that process."

The statement said that the Jan. 17 authorization was only "technically in effect at this time" having been "substantially superseded" when Mr. Reagan announced Nov. 17 that he had "absolutely no plans" to "send more arms to Iran."

#### Carter Administration Findings

White House officials have refused to discuss the contents of the other classified intelligence findings, but a senior official at the Central Intelligence Agency said in an interview recently that about half of those in existence were signed during the Carter Administration.

In a related move today, the White House renewed Mr. Reagan's request of Dec. 16 for the Congress to grant limited immunity to two of the key players in the Iran-contra affair in the hope that they will testify. The two, Vice Adm. John M. Poindexter, the former national security adviser, and Lieut. Col. Oliver L. North, declined in December to answer questions before the Senate Select Committee on Intelligence, invoking their Constitutional right against self-incrimination.

Mr. Reagan had asked that the two be granted "use immunity," which

resort to the Fifth Amendment. It would, however, prevent prosecutors from using that testimony against them in criminal proceedings.

The restatement of Mr. Reagan's request was in response to an article Sunday in The Washington Post that cited an unnamed "source close to the President" as asserting that the White House anticipated that Admiral Poindexter "will say that he had direction and authority, directly or indirectly" from the President — in contrast to Mr. Reagan's claim that he was unaware that proceeds from the Iran arms sales went to Nicaraguan insurgents.

In addition to the President, the Senate Select Committee on Intelligence and the special Presidential commission reviewing the secret dealings have said there was no evidence contradicting Mr. Reagan's claim. Neither panel, however, interviewed Admiral Poindexter or Colonel North.

#### Maureen Reagan's Opinion

Speaking to reporters following a meeting with the President today, his daughter Maureen said the two military officers were guilty of treason and should be court-martialed if they had lied to Mr. Reagan, the Commander in Chief.

"Because by omission or commission, they did not tell the President what they were doing and that's a lie," she said. She said she had expressed that view to Mr. Reagan and that he had responded by saying "Uh-huh."

The President's daughter and other White House officials said that they did not believe that Mr. Reagan could have endorsed the diversion of funds to the rebels and not remembered. He has said that he was unable to recall whether he approved the first shipment of arms to Iran last summer before or after the fact.

"What he doesn't remember is whether he said yes the day before it was done or was told it was done yesterday, and that's the time frame and that's the only thing," Maureen Reagan said. "He cannot remember and there are no notes on that."

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# Office of Current Production and Analytic Support

## CIA Operations Center

News Bulletin The New York Times, Page A24

Tuesday, 10 March 1987  
Item No. 3

### Capital Reading

## A Question of Intelligence

Special to The New York Times

WASHINGTON, March 9 — One of the issues raised by the Tower Commission in its report on the Iran arms affair was that the Central Intelligence Agency, in updating a Special National Intelligence Estimate on Iran in May of 1985, went beyond its legitimate role of providing intelligence to the President and other high Government officials. The report said that Howard Telcher and Donald Fortier, then of the White House National Security Council staff, had asked the C.I.A. for the update to see whether there was some way military support of some kind could blunt Soviet influence in Iran, and suggested that the intelligence agency came closer than it should have to giving the N.S.C. operators the policy answers they were looking for. The C.I.A. vigorously disputes the suggestion. Following are excerpts from the report and from a letter from Robert M. Gates on this subject:

*Excerpt from the Tower Commission Report, Part V, recommendation 5, Feb. 26:*

The National Security Council staff was actively involved in the preparation of the May 20, 1985 update to the Special National Intelligence Estimate on Iran. It is a matter for concern if this involvement and the strong views of N.S.C. staff members were allowed to influence the intelligence judgments contained in the update. It is critical that the line between intelligence and advocacy of a particular policy be preserved if intelligence is to retain its integrity and perform its proper function. In this

instance, the C.I.A. came close enough to the line to warrant concern.

*Excerpt from a letter to David L. Boren, chairman of the Senate Intelligence committee, from Robert M. Gates, Acting Director of Central Intelligence, March 2:*

*Allegation:* That C.I.A. colluded with N.S.C. officials in preparation of the May 1985 Estimate on Iran to reach specific conclusions.

*Fact:* Officials at State, Department of Defense and N.S.C. often request preparation of estimates and list questions they would like to have addressed. In this case, as with other estimates, while the National Security Council requested the paper, it was not involved in drafting nor was it allowed to participate in the interagency intelligence coordination of the draft. There were no dissents to the Estimate from any agency. The independence and integrity of the intelligence process were preserved throughout. This can be independently corroborated. . . Finally, I might note that a 1986 Senate Select Committee on Intelligence report on intelligence estimates recommended that "once the production of intelligence reporting has begun, the National Intelligence Officer or other appropriate official should consult regularly with the principal consumer to insure that the concept paper, terms of reference or other guidance address the appropriate question. This is particularly important with respect to unscheduled product."

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# **CIA AND THE UNIVERSITY**

**Robert M. Gates  
Deputy Director for Intelligence  
Central Intelligence Agency**

**Speech at the  
John F. Kennedy School of Government  
Harvard University**

***13 February 1986***

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